

The Simple Basis of Usury, International Finance and the Enslavement of Nations

Usurious merchant nomads go from country to country with gold to lend and merchandise to sell for gold or jewels of great value and small volume and little total weight.

Lenders like general scarcity of money and the prefer lending to governments kings, presidents and prime ministers and legislatures in combination can tax the little people to pay principal and interest and these leaders can get their country into expensive wars that must be deficit financed.

The most advantageous arrangement for the usurious merchant nomad is when they can send one of their sons to a king at war who says to the king — “We usurious merchants, oh king, cannot lend you money to fight the war you are in unless you, oh king, turn over to us monopoly power to create money, to make it as scarce as we want it so we can do a better money lending business and take a share of the rewards of all production going on in your country. Our gold will become the real money of the country and we want you, oh king, to leverage the power of our gold, by allowing us to create credit — loans that are backed by the creation of new debt obligations upon borrowers who can pledge collateral or other security so that we risk nothing in lending our terms — by allowing us to create this credit/debt money — as long as we have at least a given fraction of the amount of the gold-redeemable paper credit money in our keeping (called the fractional reserve banking system). We, oh king, will lend your kingdom its money supply and will demand back that much money (the principal) plus usury (the interest) which of course there is not enough money for debtors to pay. They will default and we will take the collateral, the equity or whatever other real assets the defaulted borrower may own. Eventually, oh king, we will own all of the lands and productive capacity and treasures of your kingdom, but you, oh king, will be allowed enough money to fight and win this way and we will allow you to continue living in your castles and palaces with servants and pomp and top social status as long as you do your part in protecting our little system. And, oh yes, oh king, you will make wars with any country that is not going along with our system. It’s either this or else the enemy you are now at war with will eventually storm your castle and put your head on a pole for all to see — this enemy that my brother gave the same deal that I am giving you and who are making war on you at our request. And to sweeten the deal we will let you will have any pretty women or man or child in your kingdom to do with as you secretly desire — a little fringe benefit and our little secret for as long as we have this agreement. Capeesh?”

Usually the king, or president or prime minister or leaders of parliaments and senates or machine political parties goes along with the deal. They have an understanding, a partnership, a “world order.”

PUBLISHED BY



oldickeastman

Born 1949 Oakland High School 1967 Lake Forest College B.A. Western Michigan M.A. Texas A & M University M.S. and two years completed in the doctoral program in economics, passing prelims in Macroeconomics I am living in Yakima, Washington and spend much of my retirement writing on public issues. [View all posts by oldickeastman →](#)

 July 1, 2018  oldickeastman